

Weekly Global FX Market Monitor

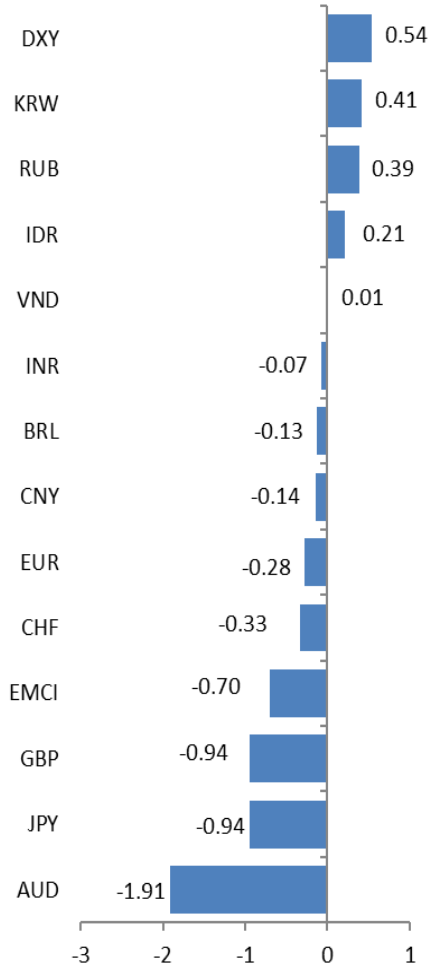
2023.11.13



Global

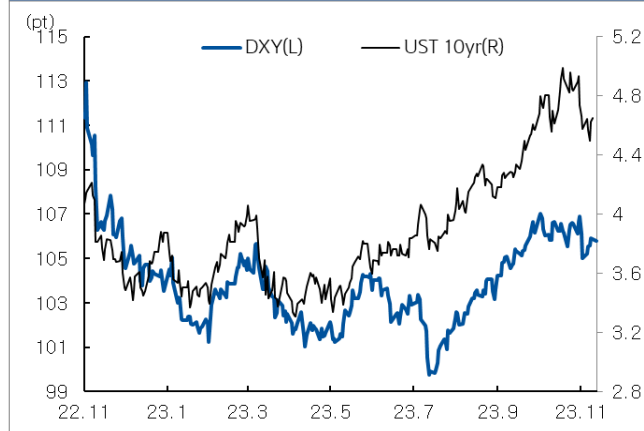
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

주간변동률(%)



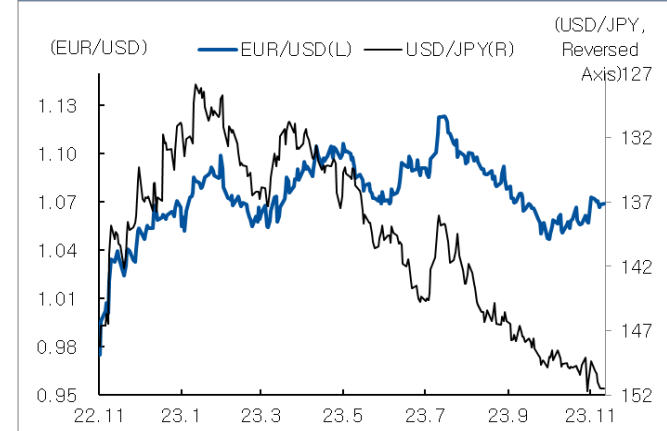
- Last week, Strong USD(+0.54%), Weak EUR(-0.28%), Weak JPY(-0.94%).
 - DXY, which had fallen in line with the decline in market interest rates, closed higher due to Powell's mention of the possibility of tightening and concerns about the Chinese economy. On the 10th, Moody's downgraded the credit rating outlook from 'Stable' to 'Negative' while maintaining the highest rating.
 - EUR which rose to \$1.07, fell slightly in the latter half of the week, closing at \$1.068. IMF forecasts slowing inflation and soft landing in EU zone.
 - JPY, which showed strength early in the week due to the decline in US bond yields, closed at 151 yen per dollar as US bond yields rose again following Powell's remarks later in the week.
- As U.S. bond yields rebounded late last week and China's CPI recorded a negative increase, the market became cautious and EM currencies appeared weak.
 - Sales of Russian exporters increased from \$9.2 billion in Sep to \$12.5 billion in Oct. RUB (+0.39%) has continued to strengthen since Putin's capital controls.
 - INR(-0.07%) and VND(+0.01%) were flat, while IDR(+0.21%) was strong.

Dollar Index & US Treasury 10yr



Source : Bloomberg , SHB Solution & Trading Center

EUR & JPY Trend



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.11.13

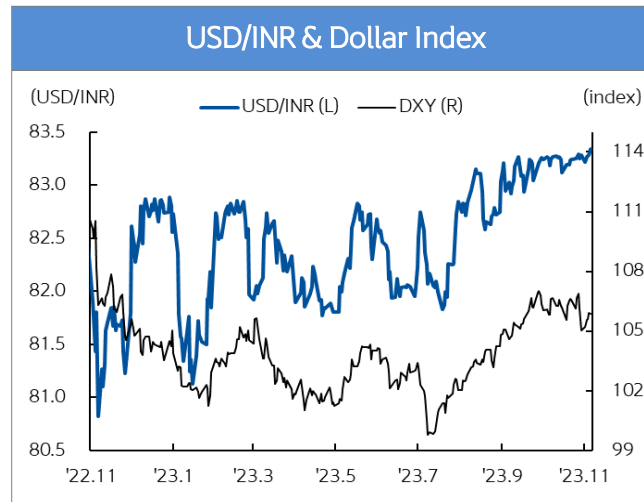


India

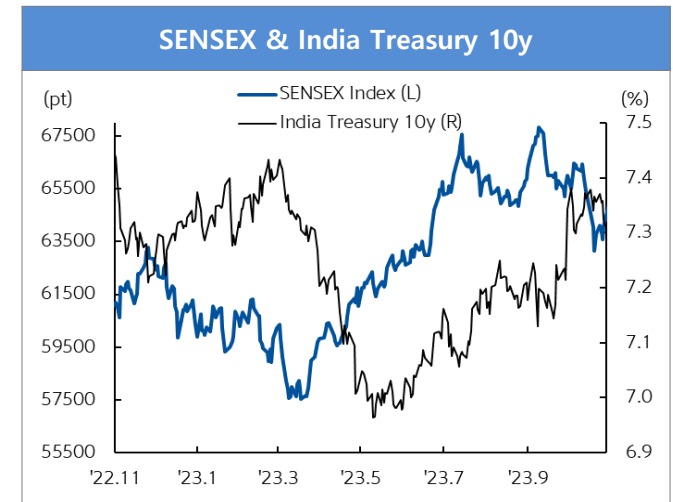
Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

USD/INR	83.34
52wk high	83.50
52wk low	80.52
Sensex	65,259
52wk high	67,927
52wk low	57,085
Government Bond (10yr,%)	7.30
52wk high	7.45
52wk low	6.94
Major Indices Snap shot	
Real GDP Growth	7.82
Rate(% YoY)	5.02
Consumer Prices (% YoY)	-0.26
Producer Prices (% YoY)	6.50
RBI rate(%)	55.5
Manufacturing PMI (index)	5.80
Industrial Production (% YoY)	8.13
Core Sector Growth(% YoY)	-2.62
Exports (% YoY)	-15.04
Imports (% YoY)	-9.20
Current Account (\$bn)	-59035
Financial Earnings and Expenses (INR10mn)	590,783
FX Reserve (\$mn)	

- Last week, USD/INR moved in the range of 83.2~83.29, finished bearish (-0.07%)
- INR fell to 83.21 due to the weakening global USD and falling crude oil prices after the FOMC. Afterwards, USD rebounded and INR weakened due to sluggish bidding for long-term US Treasury bonds and Powell's hawkish remarks, but the upper end was limited below the 83.29 line due to the intervention of the central bank.
- Mining and industrial production in Sep increased 5.8% yoy.
- FPI net sold in equity and net purchased in bond market.
 - Equity: net sold (11/6~11/9 accumulated: \$277.12 mil), SENSEX fell (+0.46%)
 - Bond: net purchased (11/6~11/9 accumulated: \$421.15 mil), bond yield fell (10y, 7.30%, -1.50bp)
- Key economic indicators such as US CPI and retail sales will be released, and the Fed's interim budget is scheduled to end on 17th, so the financial market volatility will be high. This week, major Indian economic indicators such as export/import performance and CPI (consensus: 4.80% yoy) also will be announced. (Expected Range: 82.8~83.6)



Source: Bloomberg, SHB Solution & Trading Center



Source: Bloomberg, SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.11.13



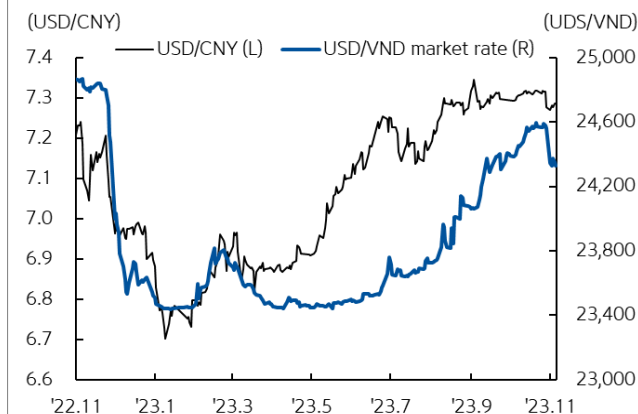
Vietnam

Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

USD/VND	24,343
52wk high	24,850
52wk low	23,415
VN index	1,102
52wk high	1,255
52wk low	874
Government Bond(10yr,%)	2.90
52wk high	5.20
52wk low	2.45
Major Indices Snap shot	
Real GDP Growth	5.33
Rate(% YoY)	
Consumer Prices (% YoY)	3.59
Total Mining Industries	
Producer Price(% YoY)	9.18
Refinance rate(%)	4.50
Manufacturing PMI (index)	49.6
Industrial Production (% YoY)	4.10
Retail Sales(% YoY)	10.00
Exports (% YoY)	5.9
Imports (% YoY)	5.2
Current Account (\$mn)	7860.00
Financial Earnings and Expenses (VND10bn)	18,465
FX Reserve (\$mn)	87,226

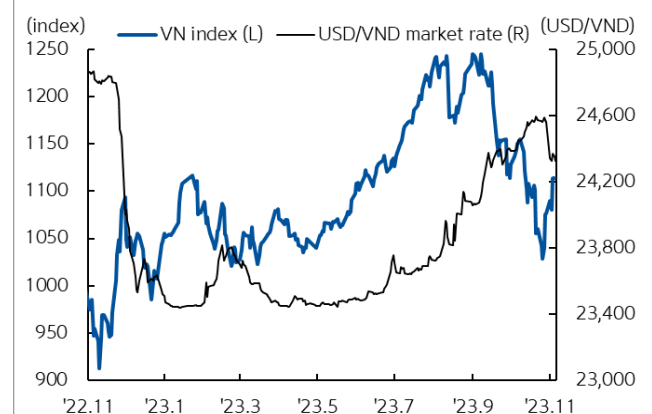
- Last week, USD/VND(market rate) moved around 24,325~24,373, finished bullish (+0.97%)
- SBV announced central rate at 24,014 (11/10), rose compared to 11/3. (24,084, +0.29%)
- Due to the weakening global USD, CNY also fell to the 7.28 level, and VND exchange rate also fell to the 24,340 level.
- Vietnam's National Assembly approved the government's 24 economic growth rate target of 6-6.5% and inflation rate target of 4-4.5%. GDP per capita target approved at \$4,700 to \$4,730.
- FPI (equity, bond, mutual fund, ETF, etc.) net sold \$50 mil.
 - VN index rose (+2.31%), and VNIBOR dropped by 16.7bps (11/10, 3.23%)
- As US long-term bond interest rates rise due to Moody's downgrade of the US credit rating outlook, VND exchange rate is likely to rise. The Chinese government has hinted at expanding fiscal spending to help the economic recovery, and the authorities' will to defend the exchange rate is strong, but sentiment toward the Chinese economy is still negative, so be aware of the possibility of an increase in VND exchange rate linked to the rise in CNY exchange rate. (Expected Range: 24,150~24,590)

USD/CNY & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

VN Index & USD/VND Market rate



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.11.13

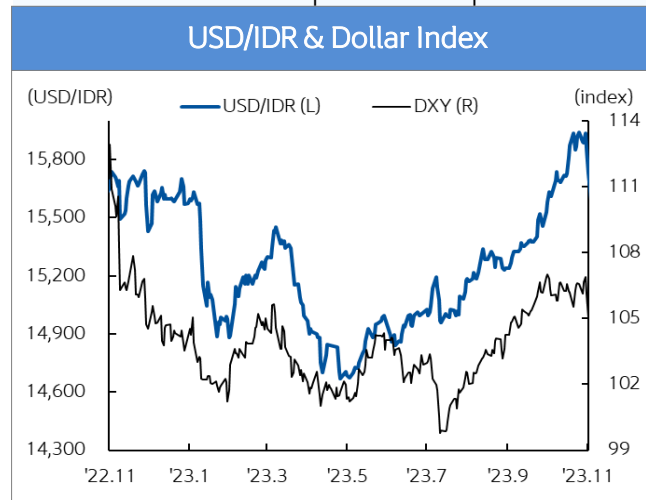


Indonesia

Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

USD/IDR	15,695
52wk high	15,962
52wk low	14,575
Jakarta index	6,809
52wk high	7,109
52wk low	6,543
Government Bond(10yr,%)	6.85
52wk high	7.26
52wk low	6.16
Major Indices Snap shot	
Real GDP Growth	4.94
Rate(% YoY)	
Consumer Prices (% YoY)	2.56
Total Mining Industries	
Producer Price(% YoY)	3.56
Refinance rate(%)	6.00
Manufacturing PMI (index)	51.5
Industrial Production (% YoY)	-1.26
Retail Sales(% YoY)	1.00
Exports (% YoY)	-16.17
Imports (% YoY)	-12.45
Current Account (\$mn)	-1,900
Financail Earnings and Expenses (IDR10bn)	-460,420
FX Reserve (\$mn)	133

- Last week, USD/IDR(market rate) moved in the range of 15,538~15,695, finished bullish (+0.21%)
- Investment sentiment in risky assets recovered as expectations for the Fed's interest rate hike to stop and confirmation of a slowdown in U.S. employment led to a significant decline in IDR exchange rate, but Powell mentioned the possibility of further tightening. and continued concerns about the Chinese economy, limiting the extent of exchange rate decline. The economic growth rate in 3Q recorded 4.94% (YoY), a slight decrease from 2Q (5.17%) due to the reduction in government spending.
- FPI net sold in equity and net purchased in bond market.
 - Equity: net sold (11/6~11/10 accumulated: \$130.89 mil), Jakarta index rose (+0.30%)
 - Bond: net purchased (11/6~11/10 accumulated: \$419.88 mil), bond yield dropped. (10y. 6.85%, -0.70bp)
- Market sentiment is expected to become somewhat conservative due to Moody's adjustment of the US credit rating outlook (stable → negative) and concerns about China's deflation, and IDR's exchange rate is also expected to rise accordingly. As Powell is concerned about prices not returning to the 2% level, it is highly likely that the US CPI will have a negative impact on market sentiment. Indonesia is scheduled to announce its export and import results this week, and the market is expected to decline by 16.8% and 7.80%, respectively. The trade balance surplus is also expected to shrink. (Expected range: 15,600~16,120)



Source : Bloomberg , SHB Solution & Trading Center



Source : Bloomberg , SHB Solution & Trading Center

Weekly Global FX Market Monitor

2023.11.13



Australia

Solution & Trading Center, Seo Jae Kim
02-2151-2322, sjkim@shinhan.com
Translation: Jae Yeon Hyun

AUD/USD 0.6362

52wk High 0.7137

52wk Low 0.6296

S&P/ASX200 6,981

52wk High 7,558

52wk Low 6,773

Government Bond(10yr,%) 4.62

52wk High 4.95

52wk Low 3.19

Major Indices Snapshot

Real GDP Groth Rate (%YoY) 2.1

Consumer Prices (%YoY) 5.4

Producer Prices (%YoY) 3.8

Policy Rate (%) 4.35

AU-US 2yr Spread (%) -0.74

China Imports from Australia (% USD YoY) 12.0

Exports(%MoM) 4.0

Imports(%MoM) -0.4

Current Account(% GDP) 1.2

Last Week :

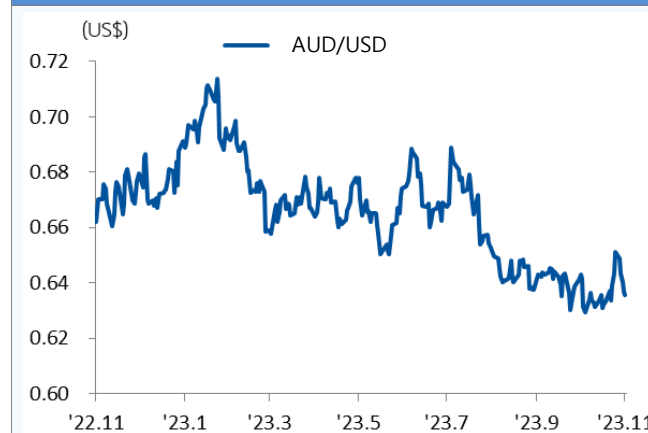
- After the FOMC, downturn of US bond yields and USD peaked earlier in the week with sluggish US October employment data announced on 11/3. Meanwhile, AUD recovered to 0.65 dollar. But turned to downward trend due to US dollar purchase in low price and RBA's dovish hike.
- Later in the week, USD rose and AUD dropped below 0.64 on sluggish US long-term treasury bonds bidding and Powell's hawkish comments

Outlook :

- USD buying in low price would trigger further drop of AUD.
- Political disputes would intensify prior to US Federal government's temporary budget expiring on 11/17. China's economy still presents burden. Yet, US-China summit scheduled on 11/15 could be a short-term favorable factor to the market.

*No changes

AUDUSD exchange rate



Source : Refinitiv, SHB Solution & Trading Center

AUD/USD Forecast Distribution * (as of 11/10)

	'23.12	'24.03	'24.06
A N Z	0.65	0.68	0.68
Wells Fargo	0.63	0.62	0.63
MUFG	0.64	0.65	0.66
JPMorgan	0.68	0.70	0.69

Source : Bloomberg, SHB Solution & Trading Center

Major Price Variations in Global Markets 2023.11.13

SORT	NAME	DATE	PRICE	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)	YTD(%)
FX - DM	Dollar Index (DXY)	2023-11-13	105.78	0.54	-0.82	2.85	3.02	-0.48	2.18
	Euro (EUR/USD)	2023-11-13	1.07	-0.28	1.69	-2.00	-1.71	3.50	-0.16
	Yen (USD/JPY)	2023-11-13	151.50	-0.94	-1.27	-3.92	-10.15	-7.66	-13.45
	Pound (GBP/USD)	2023-11-13	1.22	-0.94	0.70	-3.59	-2.40	4.02	1.20
	Switzerland (USD/CHF)	2023-11-13	0.90	-0.33	-0.04	-2.66	-0.75	4.54	2.45
	Australia (AUD/USD)	2023-11-13	0.64	-1.91	1.10	-1.88	-5.00	-5.03	-6.58
FX - EM	South Korea (USD/KRW)	2023-11-10	1,316.90	0.41	2.49	-0.08	0.61	4.62	-3.90
	China (USD/CNY)	2023-11-11	7.29	-0.14	0.12	-0.92	-4.87	-1.36	-5.31
	India (USD/INR)	2023-11-10	83.34	-0.07	-0.11	-0.75	-1.62	-1.84	-0.73
	Indonesia (USD/IDR)	2023-11-10	15,695.00	0.21	0.25	-3.25	-6.18	-0.03	-0.81
	Vietnam (USD/VND)	2023-11-13	24,343.00	0.01	0.44	-2.13	-3.63	1.87	-2.92
	Brazil (USD/BRL)	2023-11-11	4.91	-0.13	2.95	-0.35	0.71	9.58	7.55
Russia (USD/RUB)	2023-11-11	92.33	0.39	8.54	5.33	-17.50	-34.22	-19.65	
Stock - DM	United States Dow Jones	2023-11-11	34,283.10	0.65	1.82	-2.83	2.95	1.59	3.43
	United States NASDAQ	2023-11-11	13,798.11	2.37	2.92	1.12	12.32	21.86	31.83
	United States S&P 500	2023-11-11	4,415.24	1.31	2.02	-1.09	7.06	10.58	15.00
	Japan NIKKEI225	2023-11-10	32,568.11	1.93	0.78	0.29	10.82	15.23	24.81
	United Kingdom FTSE	2023-11-11	7,360.55	-0.77	-3.15	-2.17	-5.08	0.58	-1.22
	France CAC40	2023-11-11	7,045.04	-0.03	0.59	-4.02	-4.99	6.83	8.82
Germany DAX	2023-11-11	15,234.39	0.30	0.31	-3.78	-4.27	7.10	9.41	
Stock - EM	South Korea KOSPI	2023-11-10	2,409.66	1.74	-1.89	-7.01	-2.66	-2.96	7.75
	China Shanghai Stock Exchange	2023-11-10	3,038.97	0.27	-1.59	-4.71	-7.13	-1.57	-1.63
	India Sensex	2023-11-12	65,259.45	0.46	-1.54	-0.10	5.21	5.61	7.26
	Indonesia Jakarta	2023-11-10	6,809.26	0.30	-1.70	-1.03	1.51	-3.95	-0.60
	Vietnam VN index	2023-11-10	1,101.68	2.31	-4.59	-10.59	3.26	15.42	9.39
	Russia RTS	2023-11-11	1,107.44	1.25	7.09	10.65	6.66	-4.39	14.10
Brazil Bovespa	2023-11-11	120,568.14	2.04	4.16	2.12	11.16	7.41	9.87	
Rates - DM	United States	2023-11-10	4.65	7.94	-0.12	54.63	120.92	83.93	77.70
	Germany	2023-11-10	2.72	7.20	-5.80	18.90	42.90	70.80	14.60
	United Kingdom	2023-11-10	4.34	4.80	-9.00	-2.80	53.60	104.40	66.40
	Japan	2023-11-10	0.85	-7.60	6.70	26.60	42.50	59.70	42.80
Rates - EM	South Korea	2023-11-10	3.96	-14.00	-26.50	18.00	62.50	-10.50	22.50
	India	2023-11-10	7.30	-1.50	-4.80	14.70	26.20	-5.00	-2.90
	Indonesia	2023-11-10	6.85	-0.70	-10.10	52.20	37.20	-47.20	-8.80
	Vietnam	2023-11-10	2.90	-10.00	-5.00	43.00	-40.00	-230.00	-205.00
	Russia	2023-11-10	11.82	-21.38	-33.48	52.60	92.22	297.65	150.93
	Brazil	2023-11-10	11.32	-13.60	-35.20	44.30	-82.30	-182.30	-137.00
Commodity	WTI (\$/bbl)	2023-11-13	77.03	-4.69	-12.16	-7.40	9.98	-13.41	-4.02
	Brent (\$/bbl)	2023-11-13	81.28	-4.58	-10.57	-6.37	9.59	-15.32	-5.39
	Gold (\$/oz)	2023-11-11	1,940.20	-2.63	4.29	1.45	-4.43	10.52	6.37

Source : Bloomberg, Datastream, Solution & Trading Center

1) Periodical fluctuation rates in 'FX' categories mean appreciation(+) or depreciation(-) compared to dollar

2) 'Rates' categories mean Treasury 10 year yield, fluctuation rate is in bp (=0.01%) measure.

This report is provided only for a reference. Investors should judge market conditions for themselves before making any investment decisions